FINANCIAL STATEMENT.

MR. K. N RAMASUBBA AIYAR (*Financial Secretary to Government*): Sir, I rise to present the Budget Estimates for 1104. The detailed estimates for the next year together with the revised estimates for the current year and the actuals of the last year are already in the hands of members.

2. The Finance Committee which has to examine and advise on every new scheme before it can be included in the Budget was constituted rather late this year owing to the general elections and the Committee concluded its deliberations only on the evening of the 20th instant, *i. e.*, ten days ago. The final compilation of the budget was immediately taken in hand and the work completed by the 28th instant.

3. Diagrams have been prepared as in the last year, showing under the larger heads of revenue and expenditure, the figures for the three years and also the corresponding figures for the last pre-war year, 1089. Copies of the diagrams have been distributed to members. The figures are shown in different colours for the different years. In the diagrams relating to expenditure, salary and establishment charges, travelling allowances, office contingencies and other items of expenditure have been marked separately, to enable a rough comparison being made of the variations under each of these classes. A schedule of the demands for grants for expenditure in the next year, submitted to the vote of this House, is attached to the detailed estimates. The demands are arranged in the order of the heads of account or rather, I should say, the arrangement of the detailed budget estimates follows the order of the schedule, as it should.

4. I invite attention to a further addition which has been made in connection with the next year's estimates, to the items of disbursements classed as 'votable.' In the budget estimates of the current year all the proposed capital expenditure except on Railways, was treated as votable. The schedule of demands relating to expenditure for the next year includes as votable, all loans proposed to be granted by Government.

ACTUALS OF 1102

5. Our final figures of **revenue** and **expenditure** for the last year stand at Rs **232·52** lakhs and Rs **204·63** lakhs respectively. The figures show that the actual revenue was 3 lakhs better and the

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[Mr. K. N. Ramasubba Aiyar].

actual expenditure, under a lakh less, than what we anticipated this time last year. The principal variation was an increase of Rs 1·73 lakhs brought in by the Forest Department by reason of larger sales of timber at the close of the year. We had a disappointment in our Customs revenue which showed a fall of a little over rupees three-fourths of a lakh. A falling off was foreseen in our original estimates; but it has turned out to be a little more than was expected. This need not however be regretted as the reduction in tariff values of cocoanuts, copra and cocoanut oil has had the effect of stimulating exports. There was also a fall in the realisation of the duty realised on exports of pepper. This was due to smaller production. The deficiency under Customs has, however, been made good by Land Revenue, which showed a satisfactory improvement in the percentage of collection to demand.

6. Our estimating on the expenditure side was fairly accurate. The **revenue surplus** in the year was Rs **27·89** lakhs as against the figure in the revised estimates, of Rs 24·07 lakhs. Under the capital section of the accounts, we realised Rs 6·01 lakhs from sale proceeds of land instead of only Rs 4·75 lakhs anticipated in the revised estimates of the year. There was little variation in the capital expenditure which stood at Rs ·69 of a lakh. The **balance** under Government Account which stood at Rs 103·37 lakhs at the commencement of the year, rose to Rs **136·58** lakhs at its close.

7. I beg to invite the attention of members to a *Statement of Expenditure against Grants* in the year, which appears at the end of the budget estimates. This statement, which has been attached to the budget estimates for the first time shows, *inter alia*, the actual expenditure against the final grant under each voted head. It will be seen that there was only one case of increase over final grants. This was under Demand III—Land Revenue where, against a final grant of Rs 8·24 lakhs the actual expenditure was Rs 8·38 lakhs. The excess is very small, being only 1·7 per cent of the grant and was due to payments of leave-salaries under the minor head 'Proverthy Cutcherries.'

REVISED ESTIMATES FOR 1103.

8. We expect that the **revenue** in the current year would amount to Rs **235·87** lakhs and the **expenditure** to Rs **218·66** lakhs. The revised estimate of revenue shows an increase of Rs 12·36 lakhs over the budgeted figure and the revised estimate of expenditure shows a saving of Rs 3·16 lakhs. Larger revenue

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